RULES OF ALCOHOLIC BEVERAGE COMMISSION

CHAPTER 0100-7 PRODUCTION, SALE AND TRANSPORT OF WINE

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0100-7-.01 APPLICATIONS FOR WINERY LICENSES.

- (1) Application An application for such a license shall be made on forms provided for such purpose by the Commission. In addition to completing and filing such forms, an applicant shall provide the Commission with the following information:
 - (a) Proof of a right to possession in the proposed premises.
 - (b) If the applicant is not a sole proprietor, evidence of the legal form in which the business is to be operated.
 - (c) Corporate Charter if corporation.
 - (d) Approval of appropriate authorities in the jurisdiction where the winery is to be located of the use and occupancy of the building(s).
 - (e) Completed questionnaires from each owner, partner or officer.
 - (f) Approval of the Tennessee Department of Agriculture.

The application and accompanying documents shall be filed in Room 604, 226 Capitol Boulevard Building, Nashville, TN.

- (2) The license issued hereunder shall apply to only one winery premise defined hereafter.
- (3) No person with any interest in a winery license shall have any kind of interest (financial, fixtures, furnishings, stock ownership, loans, gifts, securing loans) or participate in the profits either directly or indirectly, in any wholesale or retail liquor establishment or any entity possessing a liquor-by-the-drink permit.
- (4) Transfer A winery licensee may transfer locations only with the specific approval of the Commission. Such permission shall be sought by filing an application for the new premises along with the information required by rule 0100-4-.01 (a), (d), (e) and (f).

Authority: T.C.A. §§57-1-209 and 57-3-207. Administrative History: Original rule filed October 31, 1983; effective November 30, 1983.

0100-7-.02 PRODUCTION OF WINE BY WINERY LICENSEES.

- (1) The holder of a winery license may produce and bottle wine as defined by T.C.A. §57-3-101(16).
- (2) Samples of each type of wine produced shall be maintained at the winery premises for a one year period after bottling.
- (3) For the purposes of the ABC rules, "winery premises" shall mean the location at which fermentation and bottling takes place. It does not include the site where fruits, berries or vegetables are being grown for use in such winery.
- (4) Records shall be kept which demonstrate the source of all agricultural products used in the production of wine by a winery licensee.

Authority: T.C.A. §§57 1 209 and 57 3 207. Administrative History: Original rule filed October 31, 1983; effective November 30, 1983.

0100 7 .03 SALES OF WINE BY WINERIES.

- (1) Wineries licensed hereunder may sell at retail only wine produced or finished on their own premises but not for consumption on the premises. Samples may be given on the premises except that no such sample shall exceed two ounces per variety for one person on the same day.
- (2) No such licensee shall sell at retail at his premises in excess of fifteen thousand gallons (15,000) or twenty percent (20%) of the wine it produces annually, whichever is greater. The right to sell such amounts is not transferable.
- (3) Winery licensees are subject to the restrictions contained in Alcoholic Beverage Commission Rules 0100 3 .02 (Advertising Of Wine In Newspapers, Magazines Or Similar Publications), 0100 3 .03 (Advertising Of Distilled Spirits And Wine By Direct Mail), 0100 3 .04 (Advertising Of Distilled Spirits And Wine On Radio And Television) and 0100 3 .20 (Responsibility And Penalties For Violations).
- (4) Other than permitted retail sales or samplings on the licensed premises, no winery licensee shall sell or otherwise convey any tax-paid wine to any person, firm or corporation in Tennessee except to a Tennessee licensed wholesaler. This provision shall not prohibit the transfer of wine in bulk from one Tennessee winery to another.
- (5) No licensee shall sell, furnish, give or cause to be sold, furnished or given, any wine to any person under the age of minority as defined by T.C.A. §57 4 203 (b).
- (6) Licensees hereunder not shall sell or give away wine between the hours of 12:00 midnight and 8:00 a.m.
- (7) Wineries licensed under provisions of T.C.A. §57 3 207 are permitted to advertise on billboards and outside signs with locations not restricted to those counties which have legalized the sale of alcoholic beverages under provisions of T.C.A. §57 3 106. Said billboards and outside signs are subject to the following restrictions:
 - (a) Information appearing on billboards and outside signs shall be limited to the name of the winery, directions to the winery premises, and products and services offered as authorized by T.C.A. §57 3 207.
 - (b) No such billboard or outside sign shall contain statements prohibited by 0100 3 .02 (4).

(Rule 0100-8-.03, continued)

- (c) Local Control Billboards and outside signs approved herein are subject to reasonable rules and regulations duly adopted by proper governing bodies of the county and city wherein located.
- (d) Prior Approval Billboards and outside signs conforming with the foregoing provisions need not have prior approval of the Commission.

Authority: T.C.A. §57 1 209 and 57 3 207. Administrative History: Original rule files October 31, 1983; effective November 30, 1983. Amendment filed February 6, 1987; effective March 23, 1987.

0100 7 .04 TRANSPORTATION OF WINE PRODUCED BY L8ICENSED WINERIES.

- (1) Finished wine produced by a licensed winery may be transported from the winery in any of the following ways:
 - (a) pursuant to a sale to a consumer as set out in rule 0100 4 .03,
 - (b) by common carrier,
 - (c) by the licensed winery after compliance with T.C.A. §57 3 403, or
 - (d) by a licensed wholesaler

Authority: T.C.A. §§57 1 209 and 57 3 207. Administrative History: Original rule filed October 31, 1983: effective November 30, 1983

0100 7 .05 SALE OF OTHER WINE RELATED ITEMS.

- (1) Tennessee licensed wineries are authorized to sell the following wine related items:
 - (a) cork removers, decanters and funnels used in decanting;
 - (b) wine glasses;
 - (c) ice buckets;
 - (d) pouring aids;
 - (e) coasters, bottle stoppers.
 - (f) promotional souvenir items imprinted with the winery's name (e.g. t-shirts) and
 - (g) wine literature.

Authority: T.C.A. \\$\557 1 \ 209 and 57 3 \ 207. Administrative History: Original rule filed October 31, 1983: effective November 30, 1983.

0100 7 .06 STATUTES APPLICABLE TO WINERY LICENSEES.

(1) In addition to the regulations contained herein, licensed wineries are governed by the terms of much of T.C.A., Title 57 Chapter 3. In order to clarify which sections within Chapter 3 govern the conduct

(Rule 0100-7-.06, continued)

and licensing of such wineries, the Alcoholic Beverage Commission hereby declares that licensed wineries are subject to the terms of the following sections and subsections of Title 57, Chapter 3, T.C.A.:

- (a) §57 3 101, 57 3 104, 57 3 105;
- (b) §57 3 201, 57 3 202 (e), 57 3 207, 57 3 210 (a), (d), (e), (j), 57 3 211, 57 3 212, 57 3 213 (a), (b), (c), 57 3 214, 57 3 215; and
- (c) §57 3 405 (b) and 57 3 409.

Authority: T.C.A. §§57 1 209 and 57 3 207. Administrative History: Original rule filed October 31, 1983; effective November 30, 1983.